

## MICHIGAN ASSISTED LIVING ASSOCIATION

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November 1, 2005


The Honorable John Stahl  
House Family & Children Services Committee  
Michigan House of Representatives  
P.O. Box 30014  
Lansing MI 48909-7514

Dear Representative Stahl:

*A Non-Profit Corporation*

**ROBERT L. STEIN**  
General Counsel

We are writing to express our enthusiastic support for the major Medicaid policy changes proposed in House Bill 4751. MALA represents more than 1,500 assisted living providers statewide, the majority of which operate licensed adult foster care homes.

 **KATHLEEN M. MURPHY**  
General Counsel

House Bill 4751 proposes a long overdue change in Medicaid policy. Specifically, this bill proposes the expansion of Medicaid benefits in adult foster care settings.

**KENNETH R. HALE**  
General Counsel

Currently, Medicaid benefits in adult foster care settings are limited to the Medicaid Personal Care Supplement which is only \$174.38 per month. This benefit is intended to compensate an adult foster care home for "personal care services" such as bathing, grooming and dressing. This Medicaid benefit is less than \$6.00 per day. This benefit is very limited as the typical adult foster care resident needs 24-hour personal care, supervision and protection.

**ANITA P. BINGHAM**  
Membership Benefits  
Coordinator

**RONALD R. GAFFNEY**  
Administrative  
Manager

A typical Medicaid Personal Care Supplement recipient combines this monthly personal care benefit with his or her monthly Supplemental Security Income (SSI) benefit of \$736.50. SSI is intended to cover food, clothing and shelter. Combined, this amount is a benefit of only \$30.00 per day.

When adult foster care residents (or prospective residents) have needs that exceed what can be provided for \$30.00 per day, their only Medicaid option is a nursing home. The current nursing home Medicaid benefit is in excess of \$100.00 per day. House Bill 4751 would close this gap and offer a range of options.

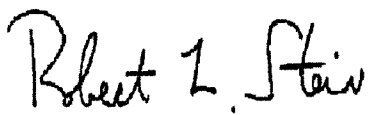
House Bill 4751 offers many benefits. It prevents or delays costly nursing home placements. It allows Medicaid recipients the option to live where they choose. This Medicaid policy issue was analyzed at length by the Governor's Long Term Care Task Force. The Task Force recently advanced



recommendations consistent with House Bill 4751. In fact, the recommendations are even broader in the sense that they include licensed homes for the aged as being eligible for expanded Medicaid benefits. Similar to adult foster care settings, homes for the aged receive approximately \$30.00 per day when the resident has the Medicaid Personal Care Supplement and SSI. We encourage the House Family & Children Services Committee to expand House Bill 4751 to include homes for the aged.

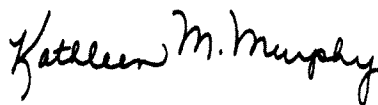
We are most appreciative of the opportunity to participate in this legislative process and offer to assist in any way to advance such an important legislative initiative.

Sincerely,



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ROBERT L. STEIN  
General Counsel



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KATHLEEN M. MURPHY  
General Counsel

cc: Representative Tom Pearce  
Representative Barb Vander Veen  
Representative Jacob Hoogendyk  
Representative Fulton Sheen  
Representative Brenda Clack  
Representative Lamar Lemmons III  
Representative Gino Polidori  
Representative Dudley Spade  
Representative Richard Ball  
Dennis Cawthorne, Kelley Cawthorne